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COLUMBIA | GREENVILLE

December 20, 2006

**VIA ELECTRONIC FILING &  
HAND DELIVERY**

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Public Service Commission of South Carolina  
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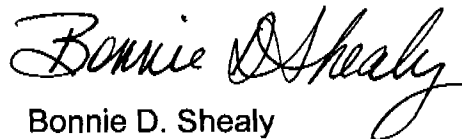
**Re: BLC Management LLC Docket No. 2006-341-C  
Our File No. 30284-0001**

Dear Mr. Terreni:

Enclosed for filing please find the Testimony of Brian Cox on behalf of BLC Management, LLC. The company does not intend to use telemarketing in South Carolina; therefore, no sample scripts are included. By copy of this letter we are serving the same on all parties. Please date-stamp the extra copies of the testimony as proof of filing and return them with our courier. If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.

  
Bonnie D. Shealy

/bds

Enclosure

cc/enc: David Butler, General Counsel for PSC (via email & U.S. Mail)  
Margaret M. Fox (via email & U.S. Mail)  
Wendy Cartledge, Staff Counsel for ORS (via email & U.S. Mail)  
Mr. Brian Cox (via email & U.S. Mail)  
Patrick D. Crocker, Esquire (via email)  
Ms. Teresa Denemy (via email)  
Ms. Daphne Duke (via email)

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TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING REQUIREMENTS**

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**Docket No. 2006-341-C**

IN THE MATTER OF

THE APPLICATION OF	)
BLC MANAGEMENT LLC D/B/A ANGLES	)
COMMUNICATION SOLUTIONS D/B/A	)
MEXICALL SOLUTIONS FOR A	)
CERTIFICATE OF PUBLIC CONVENIENCE	)
AND NECESSITY TO PROVIDE LOCAL	)
EXCHANGE AND INTEREXCHANGE	)
TELECOMMUNICATION SERVICES IN	)
SOUTH CAROLINA AND FOR FLEXIBLE	)
AND ALTERNATIVE REGULATION	)

**TESTIMONY OF BRIAN COX**

***THIS DOCUMENT IS AN EXACT DUPLICATE  
OF THE E-FILED COPY SUBMITTED TO THE  
COMMISSION IN ACCORDANCE WITH ITS  
ELECTRONIC FILING REQUIREMENTS***

1 Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR THE  
2 RECORD.

3 A. My name is Brian Cox and I am the President and Chief Executive Officer of BLC  
4 Management LLC ("BLC" or "Company"). My business address is 11121 Highway 70,  
5 Suite 202, Arlington, TN 38002.

6 Q. WHAT ARE YOUR RESPONSIBILITIES?

7 A. To manage and guide our division supervisors while directing the company to be one of the  
8 most cost efficient and customer friendly telephone companies in the country.

9 Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND  
10 EXPERIENCE.

11 A. I have successfully guided BLC through the turmoil and transitions of the CLEC industry  
12 over the last 3 years firmly sticking to principles of efficient use of resources and customer  
13 service driven telecom products. I founded BLC in early 2001 to implement new internet and  
14 communication technologies. My philosophy of assembling an experienced and dedicated  
15 leadership team has proven to be extremely effective. Under my leadership, BLC was  
16 awarded the Chamber of Commerce Rookie of the Year and is on pace to hit \$4,000,000.00  
17 in gross revenues in 2006. Prior to BLC, I served as an account executive for Lose Brothers  
18 Chemical, which was the regional distributor of Ortho Chemical. While I was there, I  
19 achieved the honor of having the highest increase in sales volume of any executive in the  
20 country 2 years in a row.

21 Q. PLEASE BRIEFLY DESCRIBE YOUR COMPANY'S CORPORATE STRUCTURE.

22 A. BLC's is a limited liability company organized under the laws of the State of Tennessee.  
23 BLC's is a privately-held company, not affiliated with or a subsidiary of any other company.

24 Q. ARE YOU FAMILIAR WITH THE APPLICATION YOUR COMPANY SUBMITTED TO

1 THIS COMMISSION?

2 A. Yes.

3 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

4 A. The purpose of my testimony is to present evidence in support of BLC's Application for  
5 competitive local exchange and interexchange authority by demonstrating that BLC has the  
6 ability to provide reliable telecommunication services throughout the State of South  
7 Carolina, and by demonstrating why the granting of a Certificate of Public Convenience and  
8 Necessity to BLC is in the public interest.

9 Q. PLEASE DISCUSS THE MANAGERIAL ABILITY OF BLC TO PROVIDE  
10 TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA.

11 A. In addition to my experience, BLC has a management team with numerous years of  
12 experience. Danny Michael, Vice President, has over ten years of experience in technology  
13 sales and management. BLC's Chief Financial Officer, Robert Womack, has nineteen years  
14 of accounting and bookkeeping experience. He is a member of the Tennessee Society of  
15 Certified Public Accounts, the National Society of Accountants, and the Tennessee  
16 Association of Accountants. Kevin Murphy is our Programmer with twenty-five years of  
17 experience in systems analysis and development in both telecom back office and  
18 manufacturing systems. A more detailed description of the background and experience of our  
19 management team was provided as Exhibit C to the Application in this proceeding.

20 Q. DESCRIBE BLC's FINANCIAL ABILITY TO OPERATE AS A  
21 TELECOMMUNICATIONS CARRIER.

22 A. BLC provided its balance sheet and income statement for January 1, 2006, through  
23 September 11, 2006, as Exhibit D to the Application in this proceeding. For that time period  
24 our income statement indicates net income of \$290,928.88. BLC has sufficient resources to  
25 support its operations and serve the public in South Carolina.

1 Q. PLEASE DESCRIBE THE OPERATIONS OF THE COMPANY AND THE SERVICES IT  
2 PROPOSES TO OFFER IN SOUTH CAROLINA.

3 A. BLC's was organized under the laws of the State of Tennessee on February 23, 2001. The  
4 Company proposes to offer competitive local exchange and interexchange  
5 telecommunication services throughout the BellSouth service areas and local service bundled  
6 with long distance services. BLC proposes to offer a variety of competitive local exchange  
7 services including basic service, custom-calling features, and intraLATA toll services  
8 utilizing incumbent local exchange carrier unbundled network elements. BLC's does not  
9 intend to offer interexchange services on a stand alone basis. We plan to target residential  
10 and small business customers. Customers who utilize our service will benefit from our  
11 competitive price.

12 The specific competitive local exchange services BLC proposes to offer are more fully  
13 described in its local exchange and interexchange tariffs. BLC's tariffs establish the rates,  
14 terms and conditions of the Company's service offerings, including specific service  
15 requirements established by the South Carolina Public Service Commission. The Company  
16 believes that its services are competitive with similarly-situated service providers.

17 Q. HAS THE COMPANY EXECUTED A STIPULATION WITH THE SOUTH CAROLINA  
18 TELEPHONE COALITION?

19 A. The company intends to offer services initially only in BellSouth's service area. We have  
20 executed the stipulation with the South Carolina Telephone Coalition and are seeking  
21 statewide certification subject to the Stipulation. We request that the Commission approve  
22 the stipulation in this proceeding.

23 Q. WHAT FACILITIES WILL BLC USE TO PROVIDE ITS PROPOSED LOCAL  
24 TELECOMMUNICATIONS SERVICES?

25 A. BLC will be relying on the technical network capabilities of its underlying carrier(s) for all

1 network and transport facilities in the provision of access and egress for its local and  
2 interexchange services.

3 Q. HAS YOUR COMPANY BEGUN NEGOTIATIONS WITH INCUMBENT LECS IN  
4 SOUTH CAROLINA?

5 A. We already have an existing market agreement along with an existing interconnection  
6 agreement with BellSouth.

7 Q. HOW WILL BLC BILL FOR ITS SERVICES?

8 A. BLC will bill through its Billing Agent, Reddson, Ltd. The bill will include a toll free  
9 customer service number, customer service email address, and our customer service website  
10 where the customer can submit a ticket directly to our technicians or chose "live help" where  
11 the customer can chat live with a customer service representative. All billing issues are  
12 handled directly through our customer service representatives in our office.

13 Q. DOES BLC PRESENTLY OFFER OR PROVIDE INTRASTATE SERVICE IN SOUTH  
14 CAROLINA?

15 A. No.

16 Q. DOES THE COMPANY OFFER A DEBIT OR PREPAID CALLING CARD?

17 A. At this time, the Company will not be offering a debit or prepaid calling card service. We  
18 understand that the Commission requires companies offering prepaid calling cards to file a  
19 \$5000 bond prior to offering that service. If we decide to offer the cards in the future, BLC  
20 will comply with that requirement when it notifies the Commission and ORS of the debit  
21 card service offering.

22 Q. HOW WILL BLC MARKET ITS SERVICES?

23 A. BLC will market its services directly to customers via ads and through existing retail outlets  
24 throughout South Carolina.

25 Q. DOES BLC USE TELEMARKETING AS A METHOD FOR SELLING ITS SERVICES?

1 A. No.

2 Q. HOW ARE CUSTOMER INQUIRIES/DISPUTES HANDLED?

3 A. BLC's customer service department is available to resolve any disputes. Customers may  
4 reach the Company's customer service staff via its toll free number 1-877-BLC-5 or via  
5 facsimile at 901-381-9507, or by letter and the address listed on the bill. Customers may  
6 escalate the dispute to the responsible contact person and may, of course, seek Commission  
7 intervention if necessary. BLC's employees embrace a strong customer service orientation  
8 that makes meeting customer needs an absolute priority. Our customer service department is  
9 open from 8:00 a.m. until 5:00 p.m. central time for general customer service or billing  
10 questions. We are available 24 hours per day, seven days a week for outages or repairs.

11 Q. WHO IS THE CONTACT PERSON AT THE COMPANY THAT THE COMMISSION  
12 STAFF SHOULD CONTACT REGARDING CUSTOMER COMPLAINTS OR  
13 REGULATORY ISSUES?

14 A. Ryan Wilson is the person that the Commission should contact regarding customer  
15 complaints or regulatory issues. Mr. Wilson can be reached at (901) 867-8765 and his email  
16 address is [rwilson@anglescs.com](mailto:rwilson@anglescs.com).

17 Q. IN WHAT STATES HAS BLC RECEIVED AUTHORITY TO PROVIDE SERVICES?

18 A. BLC has authority to provide local and long distance service in: Florida, Kentucky,  
19 Mississippi and Tennessee. BLC has authority to provide long distance service in: Indiana,  
20 North Carolina and Texas.

21 Q. WHERE DOES BLC CURRENTLY HAVE APPLICATIONS PENDING TO PROVIDE  
22 SERVICES?

23 A. BLC has local exchange applications pending in: Illinois, North Carolina and Louisiana.

24 Q. HAS BLC EVER BEEN DENIED CERTIFICATION IN ANOTHER STATE?

25 A. No.

1 Q. HAS BLC EVER BEEN SUBJECT TO ANY FEDERAL OR STATE INVESTIGATION  
2 REGARDING ITS SERVICES?

3 A. No.

4 Q. WHY IS THE COMPANY SEEKING EXEMPTIONS FROM USOA, DIRECTORY  
5 PUBLISHING, MAINTAINING RECORDS IN SOUTH CAROLINA, AND CERTAIN  
6 REPORTING REQUIREMENTS?

7 A. We respectfully request that we be exempt from any Commission policy that might require a  
8 carrier to maintain its financial records in conformance with USOA. As a competitive  
9 carrier, we maintain our books in accordance with GAAP; and therefore, do not possess the  
10 detailed cost data required by USOA. BLC requests a waiver of the requirement of  
11 publishing a local exchange directory. The Company will arrange with the incumbent  
12 carriers for publishing its customers' numbers in the ILEC's directory. BLC also requests a  
13 waiver of the requirements of 26 S.C. Reg. 103-610 that a carrier keep all records required by  
14 the Commission's rules and regulations with the State of South Carolina. Since the  
15 Company's corporate records are in Tennessee and it does not anticipate maintaining offices  
16 or personnel in South Carolina, it would create an additional expense and be unduly  
17 burdensome to maintain records in South Carolina. We will have a registered agent in South  
18 Carolina and bear any costs associated with the Commission's inspection of our records and  
19 books at our headquarters.

20 Q. IN YOUR OPINION, WOULD THE ISSUANCE OF A CERTIFICATE TO BLC BE IN  
21 THE PUBLIC INTEREST?

22 A. BLC's proposed services will allow customers to obtain competitive services and rates.  
23 Customers will benefit from BLC's industry experience and innovative service offering and  
24 billing options. Additionally, an increase in the traffic generated through the provision of the  
25 Company's proposed intrastate services over existing facilities will help improve the



1 efficiency of those facilities and reduce the underlying carriers' costs in provisioning such  
2 services. And the State of South Carolina will realize an increase in tax revenue. I believe  
3 that BLC will operate as the very type of responsible, solid telecommunications carrier that  
4 the Commission wishes to enter the State of South Carolina.

5 Q. WILL THE SERVICE YOUR COMPANY INTENDS TO PROVIDE MEET THE  
6 SERVICE STANDARDS OF THE COMMISSION?

7 A. Yes.

8 Q. WILL GRANTING YOUR APPLICATION ADVERSELY IMPACT THE AVAILABILITY  
9 OF AFFORDABLE LOCAL EXCHANGE SERVICE?

10 A. By granting BLC's certificate, the Commission will be fostering greater competition in the  
11 local exchange telecommunication service markets. With additional competition, existing  
12 providers will strive to offer services at the lowest rates and most innovative features  
13 possible to attract new customers and retain existing customer bases.

14 Q. WILL YOUR COMPANY SUPPORT UNIVERSALLY AVAILABLE TELEPHONE  
15 SERVICE AT AFFORDABLE RATES AS REQUIRED BY THE COMMISSION?

16 A. Yes, the Company will support Universal Service.

17 Q. IS BLC REQUESTING RELAXED REGULATORY TREATMENT?

18 A. Yes. Since we will be a non-dominant, competitive provider of local exchange services, we  
19 request that the Commission regulate our Company in the same relaxed fashion authorized in  
20 Order No. 98-165 in Docket No. 97-467-C and extended to similarly situated carriers. We  
21 understand that this flexible regulatory treatment requires that we file maximum rates for our  
22 local service offerings. Local tariff filings would be presumed valid once they are filed  
23 subject to the Commission's right to investigate the filing within thirty days.

24 Q. HAS BLC REQUESTED ALTERNATIVE REGULATION OF ITS OPERATOR SERVICE  
25 OFFERINGS?

1 A. Yes. BLC requests that the Commission regulate these services in accordance with the  
2 principles and procedures established for alternative regulation in Order Nos. 95-1734 and  
3 96-55 in Docket No. 95-661-C which was approved for AT&T and other similarly situated  
4 companies. It is our understanding that maximum rates would be eliminated for these  
5 services. In addition, tariff filings are presumed valid upon filing, subject to the  
6 Commission's right within seven days to begin an investigation.

7 We understand that the alternative regulation orders were modified by Order No. 2001-997 in  
8 Docket No. 2000-407-C so that rate caps for operator-assisted calls where a consumer uses a  
9 local exchange carrier's calling card to complete calls from locations which have not selected  
10 that local exchange carrier as their toll provider were reestablished. The order imposed a  
11 maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35  
12 related to the flat per-minute rate associated with these calls.

13 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

14 A. Yes.

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA  
DOCKET NO. 2006-341-C**

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INTEREXCHANGE	)
TELECOMMUNICATION SERVICES IN	)
SOUTH CAROLINA AND FOR FLEXIBLE	)
AND ALTERNATIVE REGULATION	)

**CERTIFICATE OF SERVICE**

This is to certify that I, Vickie V. Pietschker, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **Testimony of Brian Cox** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

F. David Butler  
Senior Counsel  
Public Service Commission of South Carolina  
P.O. Box 11649  
Columbia, SC 29211

Margaret M. Fox, Esquire  
McNair Law Firm, P.A.  
P.O. Box 11390  
Columbia, SC 29211

Wendy B. Cartledge, Esquire  
Office of Regulatory Staff  
1441 Main Street, Suite 300  
Columbia, SC 29201

Dated at Columbia, South Carolina this 20th day of December, 2006.

  
Vickie V. Pietschker